

MANISTEE CITY BROWNFIELD REDEVELOPMENT AUTHORITY

70 Maple Street
Manistee, MI 49660

MEETING MINUTES

July 29, 2014

A meeting of the Manistee City Brownfield Redevelopment Authority was held on April 29, 2014 at 2:00 pm in the Council Chambers, City Hall, 70 Maple Street, Manistee, Michigan.

Meeting was called to order at 2:00 pm by Chair Clinton McKinven-Copus

Roll Call:

Members Present: Steve Brower, Donald Kuk, Marlene McBride, Clinton McKinven-Copus, Jeffrey Stege

Members Absent: W. Frank Beaver (excused), Dave Carlson (excused)

Others: Kathy Adair Morin (Consultant), T. Eftaxiadis (BRA Consultant), Ed Bradford (BRA Administrator), Denise Blakeslee (BRA Recording Secretary) and others

APPROVAL OF AGENDA

Motion by Don Kuk, seconded by Steve Brower that the agenda be approved as prepared.

With a Voice Vote this motion passed unanimously.

APPROVAL OF MINUTES

Motion by Marlene McBride, seconded by Don Kuk that the minutes of the April 29, 2014 Brownfield Redevelopment Authority Meeting be approved as prepared.

With a Voice Vote this motion passed unanimously.

PUBLIC HEARING

None

FINANCIAL REPORTS

Approval of Invoices – Members reviewed the summary of paid invoices.

VENDOR NAME	INVOICE DATE	INVOICE NUMBER	INVOICE AMOUNT	SERVICE DESCRIPTION
EDR	03/31/14	3896513	\$55.00	EPA Grant -HAZARDOUS; High School Area (no Sanborns)
Eftaxiadis Consulting Inc	05/13/14	CMBRA-ESAs-H	\$4,000.00	EPA Grant - HAZARDOUS; Phase I ESAs for North Channel and Hokanson (lump Sum)
Abonmarche	05/20/14	108845	\$750.00	EPA Grant -HAZARDOUS; Survey for North Channel BEA & BRA Plan
Eftaxiadis Consulting Inc	04/24/14	CMBRA-1403H	\$2,465.00	EPA Grant - HAZARDOUS; Phase II ESA/BEA (North Channel), Brownfield Planning (NCO), Grant mgmt
NTH Consultants	05/20/14	594411	\$7,061.78	EPA Grant -HAZARDOUS; Phase II ESA North Channel
Fibertec Environmental	05/30/14	110132	\$1,185.00	EPA Grant -HAZARDOUS; Supplemental Phase II ESA Lab Services for North Channel
Eftaxiadis Consulting Inc	04/24/14	CMBRA-1403P	\$1,168.75	EPA Grant - PETROLEUM; Grant mgmt and loseout
Eftaxiadis Consulting Inc	06/13/14	CMBRA-1405H	\$2,911.25	EPA Grant - HAZARDOUS; Phase II ESA/BEA (North Channel), Outreach, Program mgmt
NTH Consultants Ltd	06/23/14	594912	\$1,200.00	EPA Grant - HAZARDOUS; BEA (North Channel)
Eftaxiadis Consulting Inc	06/13/14	CMBRA-1405	\$1,763.75	Technical Support Filer Twp Dump, 334 River, MDEQ Loan, BRA Assist.
Eftaxiadis Consulting Inc	06/27/14	CMBRA-1406H	\$2,358.75	EPA Grant - HAZARDOUS; Phase II ESA/BEA (North Channel), Outreach, Program mgmt and Closeout
NTH Consultants Ltd	06/23/14	594911	\$1,125.00	EPA Grant - HAZARDOUS; Phase II ESA (North Channel)
TOTAL:			\$26,044.28	

MOTION by Don Kuk, seconded by Jeff Stege to approve previously paid invoices.

With a Voice Vote this motion passed unanimously.

Ed Bradford reviewed the Balance Sheet and Revenue/Expenditure Report with the Directors (attached).

NEW BUSINESS

Approval of Contract with Kathy Adair Morin

Due to a Conflict of Interest, T. Eftaxiadis is unable to act as the City of Manistee Brownfield Authority consultant for the South Washington Area Brownfield Plan. The City of Manistee Brownfield

Redevelopment Authority has drafted a Professional Services Agreement with Kathy Adair Morin to act as the City's and the Authority's Consultant for the processing of the South Washington Area Brownfield Plan and documents and grant/loan applications related to the project. Ms. Morin was introduced to the Directors, her credentials were discussed, and the Professional Services Agreement that has been drafted for their consideration. The Professional Services Agreement was reviewed and approved by the City Attorney.

MOTION by Don Kuk, seconded by Jeff Stege that the City of Manistee Brownfield Redevelopment Authority approve the Professional Services Agreement with consultant Kathy Adair Morin and authorize Chair Clinton McKinven-Copus to execute the document.

With a Voice Vote this motion passed unanimously.

South Washington Area Brownfield Plan

The South Washington Area includes six parcels as follows:

- | | | |
|----|--------------------------|----------------------------|
| 1. | River Parc Place | Parcel Code #51-211-100-05 |
| 2. | North Channel Outlet | Parcel Code #51-211-100-02 |
| 3. | Former Groves Parcel (L) | Parcel Code #51-211-100-03 |
| 4. | Former Groves Parcel (S) | Parcel Code #51-211-100-01 |
| 5. | City of Manistee | Parcel Code #51-211-105-01 |
| 6. | Veterans Memorial Park | Parcel Code #51-101-350-01 |

Brownfield Administrator Ed Bradford gave background information about the properties to the Directors.

T. Eftaxiadis, Consultant for the Applicant and Kathy Morin, Consultant for the City and the Authority reviewed the plan with the Directors (Brownfield Redevelopment Scope and Financing Summary – attached). Discussion included:

- Grant Funds
- Tax Abatements
- River Parc Place
 - Increase number of units (from 10 to 14 or 18)
 - Discussed parking for tenants
 - Property qualifies as a "Facility"
 - Building is functionally obsolete and a blighted structure
- North Channel Outlet (includes three parcels)
 - Commercial Uses on the first floor
 - Second Floor Apartments for Rent – If grant received from MSHDA some rental control units (80% median Income) will be available
 - Third Floor Apartments for rent or for sale (market rate)
 - Parking and site improvements will be made to property
 - Restoration of Historic Building (potential façade re-design in addition to exterior façade improvements)

- 3D imaging of exterior of building has been completed by Main Street/DDA, interior may be done
- Property qualifies as a “Facility” due to contamination present in four parcels
- Building is a blighted and Historic Structure
- Early projection indicates creation of 15 jobs
- Both Former Groves properties were acquired and are part of the North Channel property, for parking and access from Fifth Avenue.
 - Short Street will require a retaining wall on the North Channel property
 - Looping of Public Water Main will be installed in the River Parc parcel
- City Property to West
 - Property is not a “Facility”
 - Included in the BRA Plan as a contiguous parcel
 - Infrastructure improvements proposed for property include
 - Pump Station Upgrade
 - Replacement of Sewer Line
 - Installation of Sheet Pile
 - Improvements would allow for the expansion of the Riverwalk
- Veterans Memorial Park
 - Phase I Environmental Site Assessment has been completed on parcel – unknown if parcel is a “Facility”
 - Included in the plan as a contiguous and contributing parcel
 - Improvements to Memorial Drive
- Other issues Discussed
 - Tenant Parking impact on Farmers Market
 - Traffic Impacts
 - Increase in tax base
 - Blight Removal
 - Restoration of Historical Building
- Discussion of BRA Plan with City Council at its August Worksession; DDA, Planning Commission and Historic District Commission and other interested parties will be invited to attend

Two minor corrections will be made to the BRA Plan. An updated copy will be sent to the Directors for their review prior to their action on the Plan.

Schedule Special Meeting

Staff has requested that a Special Meeting of the Brownfield Redevelopment Authority be scheduled to take action on the Brownfield Plan for the South Washington Area.

MOTION by Don Kuk, seconded by Jeff Stege that a Special Meeting of the City of Manistee Brownfield Redevelopment Authority be scheduled for Tuesday, August 5, 2014 at 2pm in the Council Chambers.

With a Voice Vote this motion passed unanimously.

US EPA Grant Status – Ed Bradford – Mr. Bradford told the Directors that the final closeout paperwork for both grants have been sent to the EPA.

OLD BUSINESS

None

PUBLIC COMMENTS AND COMMUNICATIONS

None

CORRESPONDENCE

None

STAFF REPORTS

None

MEMBERS DISCUSSION

None

A Special meeting of the Brownfield Redevelopment Authority has been scheduled for August 5, 2014.

The next regular meeting of the Brownfield Redevelopment Authority will be held on October 28, 2014.

ADJOURNMENT

Motion by Don Kuk, seconded by Steve Brower that the meeting be adjourned. MOTION PASSED UNANIMOUSLY.

Meeting adjourned at 3:27 pm

MANISTEE CITY BROWNFIELD REDEVELOPMENT AUTHORITY

Denise J. Blakeslee, Recording Secretary

BALANCE SHEET

Page: 1

7/24/2014

4:03 pm

City of Manistee

As of: 6/30/2014 (PFY)

Balances

Fund: 243 - BROWNFIELD REDEVELOPMENT AUTHO

Assets

001.000	Cash	26,623.08
017.000	MBIA Mi Class Inv	0.00
040.000	AR - Invoices	9,140.09
084.000	Due From Other Funds	0.00

Total Assets

35,763.17

Liabilities

202.000	Accounts Payable	0.00
203.000	Accrued Payables	0.00
214.000	Due To Other Funds	0.00

Total Liabilities

0.00

Reserves/Balances

390.000	Fund Balance	8,214.58
398.000	Change in Fund Balance	27,548.59

Total Reserves/Balances

35,763.17

Total Liabilities & Balances

35,763.17

REVENUE/EXPENDITURE REPORT

Page: 1
7/24/2014
4:02 pm

City of Manistee

For the Period: 7/1/2013 to 6/30/2014	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 243 - BROWNFIELD REDEVELOPMENT AUTHO							
Revenues							
Dept: 000							
485.000 Permits	0.00	0.00	0.00	0.00	0.00	0.00	0.0
501.000 Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.0
539.000 State Grant Revenue	0.00	0.00	44,127.75	15,321.00	0.00	-44,127.75	0.0
626.000 Charge for Service	0.00	0.00	0.00	0.00	0.00	0.00	0.0
664.000 Interest Income	0.00	0.00	0.00	0.00	0.00	0.00	0.0
676.000 Reimbursement	0.00	0.00	9,140.09	0.00	0.00	-9,140.09	0.0
699.000 Transfers In	0.00	0.00	245.40	0.00	0.00	-245.40	0.0
Dept: 000	0.00	0.00	53,513.24	15,321.00	0.00	-53,513.24	0.0
Revenues	0.00	0.00	53,513.24	15,321.00	0.00	-53,513.24	0.0
Expenditures							
Dept: 000							
799.000 Miscellaneous Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.0
801.000 Professional Services	0.00	0.00	2,210.00	1,317.50	0.00	-2,210.00	0.0
820.000 Administration	0.00	0.00	0.00	0.00	0.00	0.00	0.0
900.000 Printing & Publishing	0.00	0.00	0.00	0.00	0.00	0.00	0.0
970.000 Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.0
988.000 Grant Expense - Land Improve	0.00	0.00	0.00	0.00	0.00	0.00	0.0
999.000 Transfers Out	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Dept: 000	0.00	0.00	2,210.00	1,317.50	0.00	-2,210.00	0.0
Dept: 691 MDEQ Loan							
801.000 Professional Services	0.00	0.00	0.00	0.00	0.00	0.00	0.0
964.000 Refunds	0.00	0.00	0.00	0.00	0.00	0.00	0.0
990.000 American Materials MDEQ Loan	0.00	0.00	9,140.09	0.00	0.00	-9,140.09	0.0
MDEQ Loan	0.00	0.00	9,140.09	0.00	0.00	-9,140.09	0.0
Dept: 692 MDEQ Grant							
801.000 Professional Services	0.00	0.00	0.00	0.00	0.00	0.00	0.0
MDEQ Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Dept: 693 334 River St Grant							
801.000 Professional Services	0.00	0.00	14,614.56	0.00	0.00	-14,614.56	0.0
334 River St Grant	0.00	0.00	14,614.56	0.00	0.00	-14,614.56	0.0
Expenditures	0.00	0.00	25,964.65	1,317.50	0.00	-25,964.65	0.0
Grand Total Net Effect:	0.00	0.00	27,548.59	14,003.50	0.00	-27,548.59	

SOUTH WASHINGTON AREA REDEVELOPMENT PROJECT
Brownfield Redevelopment Scope and Financing Summary
DRAFT July 24, 2014

Parcel Location or Tax ID:	51-51-211-100-05 River Parc Place (Parcel 1) 51-51-211-100-02 North Channel Outlet (Parcel 2) 51-51-211-100-03 North Channel Outlet (Parcel 3) 51-51-211-100-01 North Channel Outlet (Parcel 4) 51-51-211-105-01 City Lot 6 th Avenue (Parcel 5) 51-51-101-276-01 Veterans Memorial (Parcel 6))
Former Use:	Furniture Manufacturing & Retail (1880s to 2010s)
Zoning:	Central Business District (C-3)
Special District:	DDA, Historic District, Main Street
Brownfield Status:	Parcels 1, 2, 3 and 4 are "Facilities"; Parcels 5 and 6 are "Contiguous"
Proposed Uses:	<u>River Parc Place (Parcel 1):</u> 16 to 18 Residential Condominium Units (four levels), and 2 Commercial Spaces (1st level) <u>North Channel Outlet (Parcels 2, 3, and 4):</u> 2 to 3 Commercial Spaces (1st level), 8 Rental Apartments (2nd level), and 6 Residential Condominium Units (3rd level), Open and Enclosed Parking, and General Common Spaces
Total Redevelopment Area:	River Parc Place: 22,000 sf North Channel Outlet: 21,000 sf
Total Investment:	River Parc Place: \$2,300,000 (approx.) North Channel Outlet: \$2,400,000 (approx.) Public Infrastructure Improvements: \$ 2,584,000
Construction Start:	Fall 2014
Construction Completion:	Mid 2016
Base Taxable Value (2014):	\$343,400
Projected Taxable Value: (2016)	\$2,200,000
Brownfield 30 Year TIF Capture:	RPP (with 7 yr NEZ Abatement): \$2,012,600 NCO (with 10 yr OPRA Abatement): \$1,276,700

TIF Reimbursable Activities/Costs: Private Developer: \$563,500
 Interior/Exterior Building Structures Demolition;
 Building Stabilization (NCO)
 Removal of Interior Contaminated Soils/Material;
 Capping of Contaminated Soils;
 Abatement of Asbestos and LBP;

Public Developer: 2,584,000
 Sanitary Sewer Replacement;
 Wastewater Pump Station Upgrades;
 Water Main Extension;
 Short Stabilization Structures;
 Phase I River Walk;
 Memorial Drive Resurfacing;
 Washington-5th Avenue Area Streetscape
 Veterans Memorial Parking Improvements

SCHEDULE / ACTIONS

- CMBRA BRA Plan Approval: August 5, 2014
- MSDDA Action: TBD
- City Council BRA Plan Adoption: TBD
- Act 381 Work Plan Submittal (State): TBD
- Development & Reimbursement Agreement: TBD

CONCURRENT REDEVELOPMENT FINANCING ACTIVITIES:

- MEDC Blight Elimination Grant Application Process; RPP and NCO Buildings(Developer/City)
- MSHDA Rental Rehabilitation Grant Application Process; 2nd Floor of NCO Building (Developer/City)
- OPRA Property Tax Abatement Process; NCO Building (Developer/City/State)
- NEZ Property Tax Abatement Process; RPP Building (Developer/City/State)
- MEDC Job Creation Grant Application Process; Commercial Component of NCO Building (Developer/State)

CONCURRENT REDEVELOPMENT PERMITTING ACTIVITIES:

- Historic District Commission Approvals
- Planning Commission Approvals